

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
JUL 11 1997

In the Matter of )  
 ) CC Docket No. 97-181  
Defining Primary Lines )

**REPLY COMMENTS OF SPRINT CORPORATION**

Sprint Corporation hereby replies to the initial comments of other parties in response to the Commission's Notice of Proposed Rulemaking in the above-captioned docket.

Because of the complexities of administering distinctions between primary and non-primary lines, Sprint's initial comments urged the Commission either to consider anew whether PICC charges are the proper means of recovering non-traffic sensitive costs, or at the very least consider eliminating the distinction between primary and non-primary residential lines and setting the SLC and PICC at a weighted average of the contemplated separate charges. Sprint also advised the Commission of its belief that the industry would not be ready to implement the primary/non-primary residential distinction by January 1, 1998.

With respect to the specific issues raised in the NPRM, Sprint proposed:

- To leave the definition of single line business unchanged.
- To define residential lines on the basis of existing account information, rather than on the basis of address, households or family units.
- To have the billing number on each account serve as the default primary line unless the customer notifies the LEC of a contrary intent.

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- That no special audit or enforcement requirements are needed, but that ILECs must provide detailed information to IXCs for verification of their access bills.
- That no mandatory consumer disclosure requirements should be adopted.

After reviewing the comments of other parties, Sprint believes that only two issues merit discussion on reply: (1) whether any definition can be implemented by January 1, 1998 and (2) the definition of primary and non-primary residential lines.

With respect to the implementation date, both Bell Atlantic (at 8-9) and USTA (at 3-4) share Sprint's belief that the imposition of different charges for primary and non-primary residential lines must be deferred, and both parties endorse the one-year deferral USTA had also proposed in its petition for reconsideration of the Access Reform order. Only GTE (at 9, 15-16) predicts that it will be ready to implement the distinction by January 1, 1998 and then only if the Commission adopts GTE's proposal. Sprint believes that the industry as a whole will need additional time but does not believe the one-year extension sought by USTA is necessary. Instead, as long as the Commission adopts a readily implementable standard, such as Sprint and the vast majority of other commentors have proposed, the new definitions should be implementable by the July 1, 1998 effective date for the LECs' annual access filings. Sprint would also suggest that any delay in implementation of residential and non-primary residential PICCs not serve as a basis for deferring the timetable for upward adjustments to those charges set forth in the Access Reform order.

With respect to defining primary and non-primary residential lines, virtually all commentors addressing this issue agree with Sprint that the definitions should be based upon subscriber account information, although other parties formulate their proposal in slightly different terms.<sup>1</sup> The account-based approach would minimize the need for customer notification and establish a clear, easy to administer rule for determining which line in a multiple line account is the primary line: the billing number associated with that account, unless or until the subscriber notifies the carrier of a different intent.<sup>2</sup>

However, two of the RBOCs – Ameritech and U S West – would use service location (Ameritech) or residence (U S West) as the starting point, so that multiple accounts at a single address would have to be combined for purposes of defining primary and non-primary lines. Although U S West represents that, in its service region, its proposal would generate \$17.7 million in additional PICC/SLC revenues (at first year rates) as compared with an account-based definition, the administrative burdens that all LECs would face in determining whether and how to combine separate accounts at a single address, plus the myriad of privacy and customer confusion issues that would be created by anything other than an account-based approach, far outweigh the additional

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<sup>1</sup> See e.g., Bell Atlantic at 2 (billing name at a single service address), BellSouth at 6-7 (line should be defined in terms of named subscriber and serving address).

<sup>2</sup> Sprint's proposal would involve notification of only those accounts having more than one line. Sprint would allow LECs to use language of their own choosing to inform consumers of this default designation and the consumers' right to change that designation. Sprint would permit consumers to respond either in writing or orally. Thus, Sprint opposes the more burdensome balloting and random assignment procedures proposed by MCI (at 2-4) as well as prescribed language for the LECs' communications to their customers (id.).

revenues at stake. In cases where there are in fact different family units in the same residence, the Ameritech/U S West approach would preclude one (or more) of the family units from having a primary line designation. This is bound to cause at least confusion on the part of consumers, and more likely, ill will towards the Commission and the telephone industry. It also begs the question of why separate family units living at the same address should not be allowed to have fully separate telephone accounts. The administrative expense and consumer ill will that this proposal would cause is not worth the added SLC/PICC revenues in Sprint's view.

The other primary/non-primary line issue that merits additional discussion concerns cases in which a customer is served by both an ILEC and a reseller CLEC. Sprint's proposal (see Comments at 7-8) contemplated that such customers would only have one primary line, but that customers could give their primary line designation either to the ILEC or to the CLEC. Other commenting parties have slightly different approaches to this issue. Bell Atlantic (at 6-7) would define the first line purchased as the primary line. This proposal would (at least during the period of time when the combined SLC and PICC for the primary line is less than that for non-primary lines) unduly favor incumbent LECs, because their lines would nearly always have been ordered first and thus would have the lower charges associated with them. Southwestern Bell, Pacific Bell and Nevada Bell ("collectively, "SBC"), on the other hand, propose (at 4-6) that reseller CLEC lines be regarded entirely separately from the ILEC lines, so that a consumer having accounts with both a reseller CLEC and an ILEC would have a primary line from

each.<sup>3</sup> In addition, SBC proposes that the ILEC charge the CLEC the primary SLC for the first resold CLEC line. On further reflection, Sprint supports the SBC approach as superior to the one Sprint proposed in its initial comments. SBC's proposal would avoid disputes between ILECs and CLECs over whether either carrier was properly conveying the wishes of the consumer, and would obviate the need for procedures and records to resolve such disputes.

Accordingly, Sprint urges the Commission to defer implementation of rate distinctions between primary and non-primary residential lines to July 1, 1998, to adopt Sprint's account-based approach to defining primary and non-primary lines, with the billing number as the default primary line unless the customer notifies the LEC to the contrary, and to adopt SBC's approach to reseller CLEC/ILEC relationships, namely, to allow subscribers to have a primary line from both a reseller CLEC and an ILEC and to require the ILEC to assess access charges accordingly.

Respectfully submitted,

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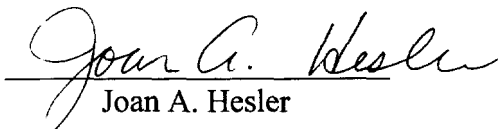
October 9, 1997

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<sup>3</sup> BellSouth also appears to take the same position. See BellSouth at 8.

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing REPLY COMMENTS of Sprint Corporation was Hand Delivered or sent by United States first-class mail, postage prepaid, on this the 9th day of October, 1997 to the parties on the attached service list:

  
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